Germanischer Lloyd Denmark A/S

Tuborg Parkvej 8, 2. sal, 2900 Hellerup

CVR No. 21 86 06 97

Annual report
for the year ended 31 December 2014

Approved at the annual general meeting of shareholders on 20 May 2015

Chairman:

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Pierre Anders Nordin

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Company details

Name	Germanischer Lloyd Denmark A/S
Address, Postal code, City	Tuborg Parkvej 8, 2. sal, 2900 Hellerup
CVR No.	21 86 06 97
Established	1 July 1999
Financial year	1 January - 31 December
Website	www.dnvgl.com
Board of Directors	Torsten Fritz Schramm Sascha Müller Pierre Anders Nordin
Executive Board	Pierre Anders Nordin,
Auditors	Ernst & Young, Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P O Box 250, 2000 Frederiksberg, Denmark

Operating review

The Company's business review

The company's most significant activities are technical valuation, classification of ships etc. and components and certification according to various internationals standards.

Financial review

The income statement for 2014 shows a profit of DKK 723,817 against a profit of DKK 657,785 last year, and the balance sheet at 31 December 2014 shows equity of DKK 4,794,876.

Post balance sheet events

No significant events have occurred subsequent to the financial year.

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Germanischer Lloyd Denmark A/S for the financial year 1 January - 31 December 2014.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2014 and of the results of the Company's operations for the financial year 1 January - 31 December 2014.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Hellerup, 20 May 2015

Executive Board:

Pierre Anders Nordin

Board of Directors:

Torsten Fritz Schramm	Sascha Müller	Pierre Anders Nordin

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Independent auditors' report

To the shareholders of Germanischer Lloyd Denmark A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Germanischer Lloyd Denmark A/S for the financial year 1 January - 31 December 2014, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Further, Management is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility
Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by Management as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2014 and of the results of its operations for the financial year 1 January - 31 December 2014 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 20 May 2015
ERNST & YOUNG
Godkendt Revisionspartnerselskab

Christian S Johansen	Søren Gammelgaard
state authorised public accountant	state authorised public accountant

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Income statement for the year ended 31 December

Notes		2014 DKK	2013 DKK
	Gross profit	**10,646,240**	**11,464,357**
2	Staff costs	-9,444,212	-10,365,420
	Depreciation of property, plant and equipment	-227,395	-257,595
	Operating profit	**974,633**	**841,342**
	Financial income	10,855	46,762
	Financial expenses	-16,064	-7,357
	Profit before tax	**969,424**	**880,747**
3	Tax for the year	-245,607	-222,962
	Profit/loss for the year	**723,817**	**657,785**
	Recommended appropriation of the profit/loss for the year		
	Proposed dividend recognised under equity	3,500,000	0
	Retained earnings	-2,776,183	657,785
		723,817	**657,785**

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Balance sheet at 31 December

Notes		2014 DKK	2013 DKK
	Assets		
	Fixed assets		
	Other fixtures and fittings, tools and equipment	232,866	460,261
4	**Property, plant and equipment**	232,866	460,261
	Other receivables	20,096	158,561
	Investments	20,096	158,561
	Total fixed assets	252,962	618,822
	Current assets		
	Trade receivables	1,142,955	1,977,988
	Receivables from group entities	2,325,951	2,966,773
	Deferred tax assets	50,874	117,218
	Income taxes receivable	501,737	201,050
	Other receivables	105,330	0
	Prepayments	14,936	248,352
	Receivables	4,141,783	5,511,381
	Cash	3,228,078	684,071
	Total current assets	7,369,861	6,195,452
	Total assets	7,622,823	6,814,274

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Balance sheet at 31 December

Notes		2014 DKK	2013 DKK
	Equity and liabilities		
	Equity		
5	Share capital	600,000	600,000
	Retained earnings/Accumulated loss	694,876	3,471,059
	Dividend proposed for the year	3,500,000	0
	Total equity	**4,794,876**	**4,071,059**
	Liabilities		
	Trade payables	165,977	861,579
	Payables to group entities	189,952	94,407
	Other payables	2,472,018	1,787,229
	Short-term liabilities	**2,827,947**	**2,743,215**
	Total liabilities	**2,827,947**	**2,743,215**
	Total equity and liabilities	**7,622,823**	**6,814,274**

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Statement of changes in equity

(DKK)	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1/1 2014	600,000	3,471,059	0	4,071,059
Profit/loss for the year, cf. appropriation of profit/loss		-2,776,183	3,500,000	723,817
Equity at 31/12 2014	**600,000**	**694,876**	**3,500,000**	**4,794,876**

1. Accounting policies

The annual report of Germanischer Lloyd Denmark A/S has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the company are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit'.

Other operating income

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Depreciation of property, plant and equipment

The item comprises depreciation of property, plant and equipment.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of each individual asset. The depreciation basis is the cost.

The expected useful lives of the assets are as follows:

	Useful life (year)
Other fixtures and fittings, tools and equipment	5

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

1. Accounting policies - continued

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Other payables

Other payables are measured at net realisable value.

	2014 DKK	2013 DKK
2. Staff costs		
Analysis of staff costs:		
Wages/salaries	7,714,501	8,439,683
Pensions	553,498	534,146
Other social security costs	58,417	73,307
Other staff costs	1,117,796	1,318,284
	9,444,212	10,365,420

	2014 DKK	2013 DKK
3. Tax for the year		
Estimated tax charge for the year	179,263	319,357
Deferred tax adjustments in the year	66,344	-96,395
	245,607	222,962

4. Property, plant and equipment

(DKK)	Other fixtures and fittings, tools and equipment
Cost	
Balance at 1/1 2014	2,026,154
Cost at 31/12 2014	2,026,154
Depreciation and impairment losses	
Balance at 1/1 2014	1,565,893
Depreciation in the year	227,395
Depreciation and impairment losses at 31/12 2014	1,793,288
Carrying amount at 31/12 2014	232,866

	31/12 2014 DKK	31/12 2013 DKK
5. Share capital		
Analysis of the company's share capital, DKK 600,000 :		
6,000 share(s) of DKK 100.00 each	600,000	600,000
	600,000	600,000

The company's share capital has remained DKK 600,000 over the past 5 years.

6. Contingent liabilities and other financial obligations

The company is jointly taxed with groupcompany, Det Norske Veritas, Danmark A/S, which acts as management company, and is jointly and severally with other jointly taxed group entities for payment of income taxes as of the income year 2013.

7. Related parties

Information about related parties with a controlling interest:

Related party	Domicile	Basis for control
Parent ELBE HOLDING GmbH	Brooktorkai 18, 20457 Hamburg	Participating interest

Information about consolidated financial statements:

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
DNV GL AS	Veritasveien 1, 1363 Høvik, Norge	www.dnvgl.com